ARIZONA CORPORATION COMMISSION UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY



W-01392A Oak Creek Water Co., No 1 90 Oak Creek Blvd Sedona, AZ 86336

RECEIVED

ACC UTILITIES DIRECTOR

ANNUAL REPORT Water

FOR YEAR ENDING

12 31 2009

FOR COMMISSION USE

ANN 04 09

4-26-10

COMPANY INFORMATION

Company Name (Business Name)	OAK CREEK WATER CO. N	VO. 1	
•	•		
Mailing Address 90 OAK CREE (Street)	K BLVD		
SEDONA	AZ	863	36
(City)	(State)		ip)
(-1.27)	, ,		**
(928)282-3404	(928)282-5558	(928)300-	3835
(928)282-3404 Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Inch	ide Area Code)
Email Address INFO@OAKCREE	KWATER COM		
Email Address	IK WITTERCOM		
Local Office Mailing AddressS	AME AS ABOVE		
	(Street)		
(City)	(State)	(Z	ip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Inclu	ide Area Code)
Local Office Telephone 110. (Morade Filed Code)	1011101 (21010111212		,
Email Address			
Email Address			-
□Regulatory Contact:	NAGEMENT INFORMATIO		<u> </u>
•	CV SITTS DDESIDENT		
Management Contact: <u>DI</u>	(Name)	(Ti	tle)
	(rume)	(,
45 SYCAMORE CANYON ROAD	SEDONA	AZ	
(Street)	(City)	(State)	(Zip)
(928)282-3404	(928)282-5558	_(928)30	1-5341
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Inclu	
The state of the s	TYON A TELD COM		
Email Address <u>INFO@OAKCRE</u>	EKWATER.COM		
On Site Manager: SAME	AS ABOVE		
	(Name)		
	- ·		
(Street)	(City)	(State)	(Zip)
Talada a Na Wash I A G I I	Fau No (Include Asse Code)	Cell No. (Inclu	de Area Codo)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Con No. (mon	ue Area Coue)
Email Address			

Statutory Agent: RONALD N. 1	ROVEY			
• •	(Name)			
140 NORTHVIEW RD (Street)	SEDONA (City)	AZ (State)	86336 (Zip)	
, ,	(Gity)	(State)	(Zip)	
(928)282-1155 Telephone No. (Include Area Code)	Fax No. (Include Area Code	Cell No. (Inc	lude Area Code)	
	•	•	ŕ	
Attorney: PATRICK BLACK	(Name)			
3003 N. CENTRAL AVE. SUITE 2600	PHOENIX	AZ	85012	
(Street)	(City)	(State)	(Zip)	
(602)916-5400				
Telephone No. (Include Area Code)	Fax No. (Include Area Code) Cell No. (Include Area Code)			
Email Address PBLACK@FCLAW	.COM			
<u>OW</u>	NERSHIP INFORMATION	<u> </u>		
Check the following box that applies to	your company:			
Sole Proprietor (S)	C Corporation (C) (Other than Association/Co-op)			
Partnership (P)	☐ Subchapter S Corporation (Z)			
Bankruptcy (B)	Association/Co-o	p (A)		
Receivership (R)	Limited Liability	Company		
Other (Describe)				
	COUNTIES SERVED			
Check the box below for the county/ies i	n which you are certificated to pr	ovide service:		
_ АРАСНЕ	☐ COCHISE	☐ COCONI	NO	
☐ GILA	☐ GRAHAM ☐ GREENLEE			
☐ LA PAZ	☐ MARICOPA	MOHAV	E	
☐ NAVAJO	☐ PIMA	☐ PINAL		
☐ SANTA CRUZ				
☐ STATEWIDE				

COMPANY NAME

OAK CREEK WATER CO. NO. 1

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	4,277		4,277
303	Land and Land Rights	19,348		19,348
304	Structures and Improvements	340,451	184,044	156,407
307	Wells and Springs	138,491	97,439	41,052
311	Pumping Equipment	83,501	67,564	15,937
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	182,452	141,704	40,748
331	Transmission and Distribution Mains	642,776	430,324	212,452
333	Services	19,952	11,560	8,392
334	Meters and Meter Installations	44,674	38,942	5,732
335	Hydrants	30,946	14,189	16,757
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	27,228	20,102	7,126
341	Transportation Equipment	25,636	25,636	0
343	Tools, Shop and Garage, Equipment	4,877	3,067	1,810
344	Laboratory Equipment (41.7)			
345	Power Operated Equipment			
346	Communication Equipment	5,103	5,103	0
347	Miscellaneous Equipment	2,219	1,697	522
348	Other Tangible Plant			
	TOTALS	1,571,931	1,041,371	530,560

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME OAK CREEK WATER CO. NO. 1

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	4,277		
303	Land and Land Rights	19,348		
304	Structures and Improvements	340,451	3.33%	10,488
307	Wells and Springs	138,491	3.33%	4,166
311	Pumping Equipment	83,501	2.22%	1,854
320	Water Treatment Equipment	30,001		
330	Distribution Reservoirs and Standpipes	182,452	12.50%	22,653
331	Transmission and Distribution Mains	642,776	2.00%	12,484
333	Services	19,952	3.33%	664
334	Meters and Meter Installations	44,674	8.33%	3,470
335	Hydrants	30,946	2.00%	526
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	27,228	6.67/20.00%	4,223
341	Transportation Equipment	25,636	20.00%	0
343	Tools, Shop and Garage Equipment	4,877	5.00%	221
344	Laboratory Equipment			
345	Power Operated Equipment			***
346	Communication Equipment	5,103	10.00%	0
347	Miscellaneous Equipment	2,219	10.00%	204
348	Other Tangible Plant			
	SUBTOTAL	1,571,931		60,953
	CIAC AMORTIZATION			(12,833)
	TOTALS	1,571,931		48,120

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.



To the Board of Directors of Oak Creek Water Co., No. 1 Sedona, Arizona

We have compiled the balance sheet of Oak Creek Water Co., No. 1 (nonprofit corporation) as of December 31, 2009 and 2008, and the comparative statement of income and expense for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

TITE TAKANINI OLOONADANINE D.C.

Welmann & Company

ULLMANN & COMPANY, P.C. Certified Public Accountants

April 14, 2010

COMPANY NAME OAK CREEK WATER CO. NO. 1

BALANCE SHEET

Acct.			LANCE AT	LANCE AT
No.	ASSETS	BEG	SINNING OF YEAR	END OF YEAR
	CURRENT AND ACCRUED ASSETS		,	
131	Cash	\$	43,366	\$ 234,678
134_	Working Funds			
135	Temporary Cash Investments			
141	Customer Accounts Receivable		21,675	22,691
146	Notes/Receivables from Associated Companies			
151	Plant Material and Supplies		8,582	8,582
162	Prepayments		2,918	2,973
174	Miscellaneous Current and Accrued Assets		30,553	 20,915
	TOTAL CURRENT AND ACCRUED ASSETS	1		
		\$	107,094	\$ 289,839
	FIXED ASSETS			
101	Utility Plant in Service	\$	1,470,760	\$ 1,571,931
103	Property Held for Future Use			
105	Construction Work in Progress		52,480	91,230
108	Accumulated Depreciation - Utility Plant		980,418	1,041,371
121	Non-Utility Property			_
122	Accumulated Depreciation - Non Utility			
	TOTAL FIXED ASSETS	\$	542,822	\$ 621,790
	TOTAL ASSETS	\$	649,916	\$ 911,629

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page

COMPANY NAME OAK CREEK WATER CO. NO. 1

BALANCE SHEET - (CONTINUED)

Acct.			ANCE AT	BALANCE AT END OF	
	LIABILITIES	OF YEAR		YEAR	
	CURRENT LIABILITES				
231	Accounts Payable	\$		\$	
$\frac{231}{232}$	Notes Payable (Current Portion)	Ψ,		Ψ	
234	Notes/Accounts Payable to Associated Companies				
235	Customer Deposits		4,764		8,730
236	Accrued Taxes		17,711		6,968
237	Accrued Interest				
241	Miscellaneous Current and Accrued Liabilities		64		64
	TOTAL CURRENT LIABILITIES	\$	22,539	\$	15,762
	LONG-TERM DEBT (Over 12 Months)				
224	Long-Term Notes and Bonds	\$		\$	
	Long Term Potes and Bonds	<u> </u>		Ψ	
	DEFERRED CREDITS				
251	Unamortized Premium on Debt	\$		\$	
252	Advances in Aid of Construction		0		6,910
255	Accumulated Deferred Investment Tax Credits				
271	Contributions in Aid of Construction		368,584		376,292
272	Less: Amortization of Contributions		329,645		336,001
281	Accumulated Deferred Income Tax				
	TOTAL DEFERRED CREDITS	\$	38,939	\$	47,201
	TOTAL LIABILITIES	\$	61,478	\$	62,963
	CANTAL ACCOUNTS				
201	CAPITAL ACCOUNTS	<u> </u>		dr	
201	Common Stock Issued	\$	17.605	\$	17 405
211	Paid in Capital in Excess of Par Value	. +	17,605		17,605
215	Retained Earnings		570,833		831,061
218	Proprietary Capital (Sole Props and Partnerships)	\$	500 /20	\$	010 666
	TOTAL CAPITAL	3	588,438	Ф	848,666
	TOTAL LIABILITIES AND CAPITAL	\$	649,916	\$	911,629

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct.	OPERATING REVENUES	PRI	OR YEAR	CURI	RENT YEAR
No.					
461	Metered Water Revenue	\$	265,794	\$	313,712
460	Unmetered Water Revenue				
474	Other Water Revenues		5,394		3,445
	TOTAL REVENUES	\$	271,188	\$	317,157
	OPERATING EXPENSES				
601	Salaries and Wages	\$	141,933	\$	132,228
610	Purchased Water				
615	Purchased Power	-	45,001		51,330
618	Chemicals				
620	Repairs and Maintenance		6,011		11,280
621	Office Supplies and Expense		4,326		3,448
630	Outside Services		6,149		8,041
635	Water Testing		9,814		3,637
641	Rents				
650	Transportation Expenses		2,745		1,360
657	Insurance - General Liability		9,456		10,067
659	Insurance - Health and Life		10,150	*	8,800
666	Regulatory Commission Expense - Rate Case		(4,061)		10,206
675	Miscellaneous Expense		14,441		17,369
403	Depreciation Expense		47,102		48,120
408	Taxes Other Than Income		10,865		10,655
408.11	Property Taxes		9,168		7,947
409	Income Tax				
	TOTAL OPERATING EXPENSES	\$	313,100	\$	324,488
	OTHER INCOME/EXPENSE				
419	Interest and Dividend Income	\$	8,968	\$	3,998
421	Non-Utility Income		<u> </u>	İ	
426	Miscellaneous Non-Utility Expenses				
427	Interest Expense		14	<u> </u>	0
	TOTAL OTHER INCOME/EXP	\$	8,954	\$	3,998
<u></u>	NET INCOME/(LOSS)	\$	(32,958)	\$	(3,333

SUPPLEMENTAL FINANCIAL DATA Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	s	\$	\$	\$
Date of Maturity	3 3 4 1 1		<u> </u>	
Interest Rate	%	9/	9/	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 6,910		
Meter Deposits Refunded During the Test Year	\$ 0		

COMPANY NAME		
Name of System:	ADEQ Public Water System Number:	

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-603919	30	130	125	8" to 7"	3"	1964
55-603920	30	80	600	8" to 7"	3"	1978
55-562092	75	320	590	10"	4"	1998

^{*} Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
20	2	49	
7.5	1		
5	1		
10	2		

STORAGE TANKS		PRESSURE TANKS		
Capacity	Quantity	Capacity	Quantity	
150,000	1	5000	1	
84,000	1	1600	1	
64,000	2	1500	1	

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME		
Name of System:	ADEQ Public Water System Number:	

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	GAV	650
3		
4	PVC	6104
5		
6	PVC	42,913
8		
10		
12		
_		
1 1/4	GAV	700
2	PVC	820
8	Ductile Iron	303

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X ³ / ₄	665
3/4	
1	24
1 1/2	16
2	8
Comp. 3	_
Turbo 3	
Comp. 4	13
Turbo 4	
Comp. 6	2
Turbo 6	
misc	2

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMEN	NT:			
	;	 	 	
			 333,37	
STRUCTURES:				
Office storage	76 x 26	 	 	
Metal storage shed	8 x 10	 	 	
Well house	6 x 8	 		
Pump House	16 x 10			
Pump House	6 x 8		 	
Pump House	16 x 8		 	
	· ·			
OTHER:				

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:		
Name of System:	ADEQ Public Water System Number:	

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	729	4,810	5,008	
FEBRUARY	729	4,240	4,574	
MARCH	729	6,580	6,664	
APRIL	730	7,043	8,044	
MAY	730	7,556	8,168	
JUNE	730	7,805	8,543	
JULY	731	10,810	11,698	
AUGUST	729	9,078	10,138	
SEPTEMBER	724	9,735	10,784	
OCTOBER	730	7,749	8,298	_
NOVEMBER	728	6,242	6,914	
DECEMBER	727	6,184	6,744	
	$TOTALS \rightarrow$	87,832	95,577	

What is the level of arseni (If more than one well, please			mg/l	Well #2 .0088 Well #3 .0084 Well #4 .0084
If system has fire hydrants	s, what is th	he fire flow requirement?		hrs
If system has chlorination () Yes		N/A	n chlorinate cont	inuously?
Is the Water Utility locate		WR Active Management	Area (AMA)?	
() Yes	(x) No			
Does the Company have a () Yes		Gallons Per Capita Per Da	ay (GPCPD) requ	iirement?
If yes, provide the GPCPI	amount:_			

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME:		
Name of System:	ADEQ Public Water System Number:	

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY			
MARCH			-
APRIL			
MAY		1	
JUNE			
JULY			
AUGUST		1	
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER		1	
$TOTALS \longrightarrow$		3	

OTHER (description):							

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2009 was: \$	
Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks property tax payments) of any and all property taxes paid during the calendar year.	for
If no property taxes paid, explain why.	

VERIFICATION AND SWORN STATEMENT Taxes

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

ACC UTILITIES DIRECTOR

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

MICHAEL R. MILLER NOTARY PUBLIC - ARIZONA YAVAPAI COUNTY My Commission Expires September 30, 2013

SIGNATURE OF OWNER OR OFFICIAL

25-282-5739

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

Fillrondly

DAY OF

MONTH April 2010

(SEAL)

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES SCHOOL 30, 2013

INCOME TAXES

For this reporting period, provide the following:	
Federal Taxable Income Reported Estimated or Actual Federal Tax Liability	TAX EXEMPT TAX EXEMPT
State Taxable Income Reported Estimated or Actual State Tax Liability	TAX EXEMPT TAX EXEMPT
Amount of Grossed-Up Contributions/Advances:	
Amount of Contributions/Advances Amount of Gross-Up Tax Collected Total Grossed-Up Contributions/Advances	N/A N/A N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

PRINTED NAME

DATE

TITLE

VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

jan.	RECEIVE
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Frank Frank Book

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

Intrastate Revenues Only	ACC UTILITIES DIRECTOR
COUNTY OF (COUNTY NAME)	
YAVAPAI	
NAME (OWNER OR OFFICIAL) TITLE	
DICK SITTS, PRESIDENT	
COMPANY NAME	
OAK CREEK WATER CO. NO. 1	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH DAY YEAR
12 31 2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM <u>ARIZONA INTRASTATE</u> UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$\frac{348,185}{2}\$

(THE AMOUNT IN BOX ABOVE INCLUDES \$\frac{31,028}{2}\$
IN SALES TAXES BILLED, OR COLLECTED)

OR OFFICIAL

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

MY CON

Fifteenth

DAY OF

MONTH A PI

SIGNATURE OF NOTARY PUBLIC

ALMICHAEL R. MILLER
NOTARY PUBLIC - ARIZONA
YAVAPAI GOUNTY
XPIRES OPTIMISSION EXPIRES
September 30, 2013

VERIFICATION AND SWORN STATEMENT RESIDENTIAL REVENUE

RECEIVED

SIDENTIAL REVENUE
Intrastate Revenues Only

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

COUNTY OF (COUNTY NAME) YAVAFAI

NAME (OWNER OR OFFICIAL) DICK SIT

COMPANY NAME

DICK SITTS TITLE PRESIDENT

| -,....

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

OAK CREEK WATER CO. NO. 1

FOR THE YEAR ENDING

MONTH DAY YEAR 12 31 2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM <u>ARIZONA INTRASTATE UTILITY OPERATIONS</u> RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 198,469

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 17.686

IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

SIGNATURE OR WHER OR OFFICIAL

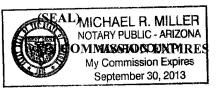
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

Effecter

DAY OF



Soplemby BC, 2013

SIGNATURE OF NOTARY PUBLIC